Ms. Magalie R. Salas Office of the Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

February 27, 2002

Re: El Dorado Irrigation District, Project No. 184-065: Quarterly Report on

Collaborative Process

Dear Ms. Salas:

The El Dorado Irrigation District (EID) and many of the parties to the above referenced docket have agreed to a collaborative settlement process, which has been underway. A number of meetings have been held on consecutive days each month and substantial progress has been made in bringing all parties to focus on the relevant issues surrounding the above referenced docket. It is our understood goal that progress toward the resolution of all issues be continued on an expeditious basis. This report is summarizes the progress made to date, and is the first of what are intended to be a number of regular, quarterly reports.

Collaborative Settlement Process

- 1. The parties have drafted and executed a letter to FERC requesting the licensing process be suspended pending the completion of a number of applicant prepared studies and conclusion of the mediated settlement process now underway. This letter was filed with FERC on November 27, 2001.
- 2. The parties have prepared and agreed to a protocol governing participation in the collaborative process and many parties have executed the protocol. The protocol provides for a target of March 2003 for settlement. The protocol is expected to be filed with FERC next week.
- 3. The parties have agreed to the formation of five "working groups" to meet and to discuss issues related to specific substantive areas of interest. These groups are: a hydrology and aquatics group; a visual resources and recreation group; a terrestrial resources group; a cultural resources group; and, an economics group. A drafting group supports the activities of the substantive work groups.
- 4. The El Dorado Irrigation District, as applicant, has agreed to the preparation of a number of environmental studies in accordance with requests for further information submitted by agencies and other parties. The Request for Proposals (RFP) for consulting services to the applicant and the work programs received by EID in response to the RFP, have been provided to the parties to the collaborative process and their comments taken and considered. The studies are currently

Re: El Dorado Irrigation District, Docket No. P-184: Quarterly Report on Collaborative Process

underway. Completion of these studies is expected to result in a number of reports and other information that will be provided over the coming months to the collaborative. Interim reports will be provided to the various work groups to allow them to begin to use the information in developing protection, mitigation and enhancement measures. The last final reports will be provided to the collaborative in December of 2002.

- 5. The parties to the collaborative have prepared individual interest statements that cover the broadest range of interests and issues raised by Project 184, which have subsequently been reviewed and discussed collectively and referred to the working groups for their consideration.
- 6. The interest statements have been considered and the working groups have begun to formulate management objectives. The group's intent is to synthesize all interests into a discrete set of objectives from which the project and any future operational alternatives can be measured or considered.

Development of Additional Project-Related Information

The El Dorado Irrigation District has committed to a number of special studies that are currently underway. In many cases these studies represent the completion of multi-year efforts to collect relevant field data and provide analysis. The working groups will be reviewing the initial results of some of these studies at the March 2002 and subsequent meetings.

Topically, the studies include:

- Development of a hydrological model of the project 184 system for use in the collaborative process to assess alternative operational scenarios.
- Studies of fisheries in the canal tributaries and other locations
- Additional macroinvertebrate sampling and results following established protocols
- Amphibian studies of species of concern
- Terrestrial biology studies including species of concern
- Stream geomorphology analysis following establish methodologies
- Visual Resources Analysis
- Recreational resources assessment following USFS methods
- IFIM and water temperature modeling
- Additional bathymetric studies of project reservoirs

Re: El Dorado Irrigation District, Docket No. P-184: Quarterly Report on Collaborative Process

- Compliance with Sec 106 on cultural resources and additional site surveys of the upper reservoirs
- Facilities operational descriptions and hazards analysis

Respectfully submitted,

Dr. Scott Shewbridge Project Manager El Dorado Irrigation District